

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

SILVER SPRING, MARYLAND

ORDER NO. 12,062

IN THE MATTER OF:

Served June 26, 2009

Investigation of Prescription of) Case No. MP-2009-081
Dispatch Fee Surcharge for)
Interstate Taxicab Trips Originating)
at Ronald Reagan Washington National)
Airport)

This matter is before the Commission on the petition of the Metropolitan Washington Airports Authority for an order allowing taxicab drivers to pass through to passengers a \$2.50 dispatch fee for interstate trips originating in the taxicab queue at Ronald Reagan Washington National Airport, effective July 1, 2009. Alternatively, the Airports Authority requests an order allowing taxicab drivers to pass through to such passengers "whatever taxi dispatch fee is in effect at the Airport." As the Airports Authority points out, "[s]uch an order would obviate the need for the Commission to enter a new order each time the Airports Authority changes the taxi dispatch fee."

Under the Washington Metropolitan Area Transit Regulation Compact,¹ the Commission is responsible for prescribing the rates, charges, regulations, and minimum insurance requirements for interstate taxicab trips between one Compact signatory and another² where the origin and destination are both within the Metropolitan District.³ The Metropolitan District includes Ronald Reagan Washington National Airport.⁴ The fare or charge for taxicab transportation may be calculated on a mileage basis, a zone basis, or on any other basis approved by the Commission.⁵

The Commission has authorized taxicab drivers to pass through the Reagan National dispatch fee in the form of a surcharge since

¹ Pub. L. No. 101-505, § 1, tit. II, art. XI, § 1(b), 104 Stat. 1300, 1304, (1990) (codified at D.C. CODE ANN. § 9-1103.01 (2009); MD. TRANSP. CODE ANN. § 10-203 (2009); & VA. CODE ANN. §§ 56-529, 530 (2009)).

² The Compact signatories are the District of Columbia, the Commonwealth of Virginia, and the State of Maryland.

³ Compact, tit. II, art. XI, § 18(a).

⁴ *In re Jack B. Dembo*, No. MP-81-03, Order No. 2258 (Oct. 8, 1981), *aff'd on reconsideration*, Order No. 2292 (Dec. 9, 1981); *In re Airport Transport, Inc.*, No. 83, Order No. 486 (May 28, 1965), *aff'd per curiam, sub nom., Bartsch v. WMATC*, 357 F.2d 923 (4th Cir. 1966).

⁵ Compact, tit. II, art. XI, § 18(b).

1975.⁶ The Commission has without exception adopted a new surcharge equal to the dispatch fee each time the Airports Authority has raised the fee. The current surcharge of \$1.75 was adopted in Order No. 5633, served June 23, 1999.

I. THE COMMISSION'S PROPOSAL IN THIS PROCEEDING

The initial order in this proceeding, Order No. 12,004, served May 20, 2009, noted that the Airports Authority has not increased the Reagan National dispatch fee since 1999 and that adopting a \$2.50 surcharge might be appropriate based solely on the increase in the Consumer Price Index over the past ten years.⁸ Order No. 12,004 observed however that the Commission could achieve essentially the same result by declaring that the incidental charges prescribed by local taxicab licensing jurisdictions and adopted by the Commission for application to interstate taxicab trips include airport dispatch fee surcharges to the extent locally prescribed.

"It has been the Commission's practice since 1961 to 'prescribe the rates and charges presently in effect in the local jurisdictions as the interstate rates and charges to the greatest extent possible.'"⁹ Today, this means that in the case of a trip in a locally-licensed taxicab, the interstate rates and charges are the same as those prescribed by the jurisdiction in which the taxicab is licensed¹⁰ - but not when it comes to the Reagan National dispatch fee surcharge. As noted above, the Commission has expressly authorized a Reagan National dispatch fee surcharge for many years, but it has done so without any discussion of why the Commission should defer to local authorities on other taxicab charges but not this one.

The reason for deferring is that local officials are in the best position to determine an appropriate fare system for the taxicabs they regulate.

Each of the local rate setting jurisdictions is especially familiar with the requirements of both the users and providers of taxicab service in the local market. Each carefully establishes its rates through appropriate proceedings. Where practicable, the Commission simply adopts these local rates as the

⁶ See *In re Interstate Taxicab Fares Between Washington National Airport and Points in the Metropolitan District*, No. 265, Order No. 1439 (June 20, 1975) (approving Washington National Airport taxicab dispatch surcharge).

⁷ *In re Dispatch Fee for Interstate Taxicab Trips Originating at Ronald Reagan Washington National Airport*, Order No. 5633, No. MP-99-29 (June 23, 1999).

⁸ See http://www.bls.gov/schedule/archives/cpi_nr.htm.

⁹ *In re Interstate Taxicab Rates & Charges*, No. MP-05-132, Order No. 9065 at 3 (Oct. 18, 2005) (quoting *In re Interstate Taxicab Rates*, No. 3, Order No. 67 at 2 (Oct. 9, 1961)).

¹⁰ See *In re Emergency Prescription of Interstate Taxicab Rates & Charges for District of Columbia Taxicabs*, No. MP-08-082, Order No. 11,287 (Apr. 18, 2008) (quoting Order No. 9065 and adopting DC meter rates and charges).

interstate rates. This practice has been followed since our order No. 67, served October 9, 1961.

....

.... We believe that revenues and expenses are given adequate consideration at the local level by authorities more acutely in tune with sub-regional conditions and requirements. From a regulatory point of view, an effort should be made to neither unduly restrain nor enhance the rate scheme which the local jurisdiction has determined to be appropriate.¹¹

Although express adoption of a dispatch fee surcharge for all interstate taxicab trips originating in the taxicab queue at Reagan National in some sense promotes uniformity, a goal the Commission has embraced from time to time, furthering the goal of uniformity was not the reason for adoption of the dispatch fee surcharge,¹² and as the Commission said recently with respect to a uniform extra-passenger charge and uniform snow emergency charge, such uniformity "conflicts with the goal of prescribing 'the rates and charges presently in effect in the local jurisdictions as the interstate rates and charges to the greatest extent possible.'"¹³

It might be said that passengers could become confused if the dispatch fee surcharge were allowed on some interstate trips originating at Reagan National but not others, depending on which licensing jurisdictions authorize such a surcharge and which do not, but that argument applies with equal force to the myriad of other charges adopted by the Commission over the years for application to interstate trips. So long as taxicab operators charge fares based on the legal rates and charges displayed for passengers to see, there should be no confusion.

A review of the incidental charges prescribed by local taxicab licensing jurisdictions within the Metropolitan District reveals that all jurisdictions but one currently authorize a Reagan National taxicab dispatch fee surcharge. The District of Columbia, Montgomery County, Maryland, and the Cities of Alexandria and Falls Church and Counties of Arlington and Fairfax in Virginia allow taxicab drivers to pass through the prevailing dispatch fee.¹⁴ Only Prince George's

¹¹ Order No. 11,287 at 2-3 (emphasis added).

¹² See Order No. 1439 at 6 (discussing difference in rates for trips from the airport compared to trips to the airport).

¹³ *In re Interstate Taxicab Rates and Charges*, No. MP-05-132, Order No. 9240 at 7, 9 (Jan. 6, 2006) (quoting Order No. 67 at 2).

¹⁴ See ALEXANDRIA, VA., CODE § 9-12-132; 31 DCMR § 801.6(j); ARLINGTON COUNTY, VA., CODE § 25-14(g) (as amended June 2009); FAIRFAX COUNTY, VA., CODE § 84.1-6-3; FALLS CHURCH, VA., CODE § 34.1-15; MONTGOMERY COUNTY, MD., EXECUTIVE REGULATION No. 30-08.

County, Maryland, does not currently provide for pass through of the Reagan National dispatch fee.¹⁵

If the Commission declared that the incidental charges prescribed by local taxicab licensing jurisdictions and adopted by the Commission for application to interstate taxicab trips were now deemed to include airport dispatch fee surcharges to the extent locally prescribed, only the fifty Prince George's County taxicab operators holding a Reagan National taxicab permit would be adversely affected.¹⁶ And those fifty operators would be free to petition Prince George's County for a \$2.50 surcharge that if granted would apply to interstate trips in the Metropolitan District originating at Reagan National.

II. PUBLIC COMMENT

Order No. 12,004 solicited public comment on the Commission's proposal to interpret its current interstate taxicab rate orders to encompass a Reagan National dispatch fee surcharge to the extent permitted by local taxicab licensing jurisdictions. Notice of the proposal was published in a newspaper of general circulation in the Metropolitan District, posted to the Commission's website, served on certain members of the industry, and circulated among the region's taxicab regulators. The comment period was held open through June 19.

The Commission received one comment. The comment was filed by the Airports Authority. According to the comment, the Airports Authority is agreeable to the Commission's proposal but requests that the Commission approve a \$2.50 surcharge for the six months beginning July 1, 2009, so that Prince George's County might have sufficient time to consider whether its taxicab operators should be permitted to pass through the Reagan National dispatch fee. As the Airports Authority points out, under the Commission's practice of expressly approving a Reagan National dispatch fee surcharge for all interstate taxicab trips within the Metropolitan District, it was unnecessary for Prince George's County to adopt such a surcharge.

III. CONCLUSION

We will modify our proposal to include a six-month transition period. During the transition period, all taxicab operators holding a Reagan National taxicab permit, including those licensed by Prince George's County, shall be permitted to add a \$2.50 surcharge to the fare for each interstate trip originating in the Reagan National taxicab queue effective July 1, 2009. Upon expiration of the transition period, the \$2.50 surcharge authorized in this order shall terminate, but thereafter the incidental charges prescribed by local taxicab licensing jurisdictions and adopted by the Commission for application to interstate taxicab trips, now and in the future, shall

¹⁵ See PRINCE GEORGE'S COUNTY, MD., CODE § 20-160.

¹⁶ According to Airports Authority officials, approximately 50 of the 1,757 Reagan National taxicab permits are held by taxicab operators licensed by Prince George's County. The County Code authorizes the licensing of 785 taxicab operators. See PRINCE GEORGE'S COUNTY, MD., CODE § 20-156.

be deemed to include airport dispatch fee surcharges to the extent locally prescribed.

THEREFORE, IT IS ORDERED:

1. That the Ronald Reagan Washington National Airport dispatch fee surcharge of \$1.75 adopted in Order No. 5633, served June 23, 1999, shall terminate effective July 1, 2009.

2. That effective, July 1, 2009, and continuing through December 31, 2009, a \$2.50 surcharge shall apply to each interstate trip originating in the Reagan National taxicab queue and ending in the Metropolitan District.

3. That effective, January 1, 2010, the incidental charges prescribed by local taxicab licensing jurisdictions and adopted by the Commission for application to interstate taxicab trips between points in the Metropolitan District shall include airport dispatch fee surcharges to the extent locally prescribed.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS CHRISTIE AND BRENNER:



William S. Morrow, Jr.
Executive Director